

House Bill 533

By: Representative Jones of the 167<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated,  
2 relating to imposition, rate, and computation of and exemptions from income taxes, so as to  
3 create a tax credit for certain expenses by certain educators; to provide for definitions; to  
4 disallow related deductions; to provide for rules and regulations; to provide for a sunset; to  
5 provide for an effective date and applicability; to repeal conflicting laws; and for other  
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to  
10 imposition, rate, and computation of and exemptions from income taxes, is amended by  
11 adding a new paragraph to subsection (b) of Code Section 48-7-27, relating to computation  
12 of taxable net income, to read as follows:

13 "(16) Georgia taxable income shall be adjusted as provided in Code Section 48-7-29.22."

14 **SECTION 2.**

15 Said article is further amended by adding a new Code section to read as follows:

16 "48-7-29.22.

17 (a) As used in this Code section, the term:

18 (1) 'Eligible educator' means an individual who is a kindergarten through grade 12  
teacher, instructor, or aide in a qualified school for at least 810 hours during a taxable  
year.

21 (2) 'Eligible expense' means a necessary and ordinary expense incurred by an eligible  
educator in connection with books, supplies, equipment, software, services, or other  
materials used in a classroom or instructional setting in a qualified school.

(3) 'Necessary and ordinary expense' means an expenditure that is helpful and appropriate for the profession of an educator and common and accepted in the education field.

(4) 'Qualified school' means a Georgia:

(A) School under the control and management of a county, independent, or area board of education supported by public funds:

(B) School under the control and management of the State Board of Education or department or agency thereof supported by public funds;

(C) Private school as such term is defined in subsection (b) of Code Section 20-2-690;

(D) Home study program meeting the requirements set forth in subsection (c) of Code

## Section 20-2-690;

**(E) Qualified pre-kindergarten program; or**

(F) Early care and education program as such term is defined in paragraph (6) of Code Section 20-1A-2.

(b)(1) For the period beginning on January 1, 2019, and ending on December 31, 2023, a taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20 in the amount of 50 percent of up to \$500.00 of eligible expenses incurred during the tax year by such taxpayer. Such credit shall not exceed the taxpayer's income tax liability.

(2) No taxpayer shall be entitled to such credit as set forth in paragraph (1) of this subsection for eligible expenses claimed by another taxpayer.

(3) Any unused tax credit shall not be allowed to be carried forward to apply to the taxpayer's succeeding years' tax liability.

(4) No such tax credit shall be allowed against prior years' tax liability.

(5) If the taxpayer claims the credit allowed by this Code section, for the purposes of computing a taxpayer's Georgia taxable net income under Code Section 48-7-27, the taxpayer shall add back any amount provided and allowed by Section 62(a)(2)(D) of the Internal Revenue Code of 1986.

(c) The commissioner shall promulgate any rules and regulations necessary to implement and administer this Code section."

### SECTION 3.

54 This Act shall become effective upon its approval by the Governor or upon its becoming law  
55 without such approval and shall be applicable to tax years beginning on or after  
56 January 1, 2019, and ending December 31, 2023.

## SECTION 4.

58 All laws and parts of laws in conflict with this Act are repealed.